

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

R

W-01723A
Rincon Water Company
HC #70 Box 3601
Sahuarita, AZ 85629

RECEIVED

MAR 15 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Rincon Water Company

Mailing Address HC # 70 Box 3601

(Street)

Sahuarita

(City)

AZ

(State)

85629

(Zip)

(520) 625-1671

Telephone No. (Include Area Code)

(520) 625-1922

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

Local Office Mailing Address Same as above

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Karen Hartwell President

(Name)

(Title)

HC #70 Box 3601

(Street)

Sahuarita

(City)

AZ

(State)

85629

(Zip)

(520) 625-1671

Telephone No. (Include Area Code)

(520) 625-1922

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Email Address N/A

On Site Manager: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Michael R. Urman

See accountants' compilation report.

(Name)			
2525 E. Broadway Blvd. #200	Tucson	AZ	85716
(Street)	(City)	(State)	(Zip)
(520) 322-5000	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

Attorney: Michael R. Urman

(Name)

2525 E. Broadway Blvd. # 200	Tucson	AZ	85716
(Street)	(City)	(State)	(Zip)
(520) 322-5000	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME: RINCON WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	1,549
303	Land and Land Rights	141,718	N/A	141,718
304	Structures and Improvements	74,437	28,372	46,065
307	Wells and Springs	30,316	30,316	0
311	Pumping Equipment	24,992	21,979	3,013
320	Water Treatment Equipment	N/A	-60,548	60,548
330	Distribution Reservoirs and Standpipes	184,730	88,158	96,572
331	Transmission and Distribution Mains	852,120	221,207	630,913
333	Services	31,138	7,666	23,472
334	Meters and Meter Installations	9,831	5,127	4,704
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	413	1,087
343	Tools, Shop and Garage Equipment	2,216	720	1,496
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	2,430	6,403
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	1,363,380	345,840	1,017,540

This amount goes on the Balance Sheet Acct. No. 108

See accountants' compilation report.

COMPANY NAME: RINCON WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	N/A
303	Land and Land Rights	141,718	N/A	N/A
304	Structures and Improvements	74,437	5%	3,721
307	Wells and Springs	30,316	5% (Limited)	0
311	Pumping Equipment	24,992	5%	1,250
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	184,730	5%	9,237
331	Transmission and Distribution Mains	852,120	5%	42,606
333	Services	31,138	5%	1,557
334	Meters and Meter Installations	9,831	5%	492
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	5%	75
343	Tools, Shop and Garage Equipment	2,216	5%	111
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	5%	441
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	1,363,380	N/A	59,490

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

See accountants' compilation report.

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$1,869	\$7,596
134	Working Funds	N/A	N/A
135	Temporary Cash Investments	110,086	91,646
141	Customer Accounts Receivable	1,864	2,510
146	Notes/Receivables from Associated Companies	N/A	N/A
151	Plant Material and Supplies	N/A	N/A
162	Prepayments	2,870	N/A
174	Miscellaneous Current and Accrued Assets	N/A	N/A
	TOTAL CURRENT AND ACCRUED ASSETS	\$116,689	\$101,752
	FIXED ASSETS		
101	Utility Plant in Service	\$1,363,380	\$1,363,380
103	Property Held for Future Use	N/A	N/A
105	Construction Work in Progress	N/A	30,000
108	Accumulated Depreciation – Utility Plant	-286,351	-345,840
121	Non-Utility Property	N/A	N/A
122	Accumulated Depreciation – Non Utility	N/A	N/A
	TOTAL FIXED ASSETS	\$1,077,029	\$1,047,540
	TOTAL ASSETS	\$1,193,718	\$1,149,292

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$28,532	\$15,613
232	Notes Payable (Current Portion)	N/A	NA/
234	Notes/Accounts Payable to Associated Companies	N/A	N/A
235	Customer Deposits	2,160	4,128
236	Accrued Taxes	118	187
237	Accrued Interest	N/A	N/A
241	Miscellaneous Current and Accrued Liabilities	115,713	121,436
	TOTAL CURRENT LIABILITIES	\$146,523	\$141,364
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$N/A	\$N/A
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$N/A	\$N/A
252	Advances in Aid of Construction	816,832	816,062
255	Accumulated Deferred Investment Tax Credits	N/A	N/A
271	Contributions in Aid of Construction	126,875	141,875
272	Less: Amortization of Contributions	N/A	N/A
281	Accumulated Deferred Income Tax	N/A	N/A
	TOTAL DEFERRED CREDITS	\$943,707	\$957,937
	TOTAL LIABILITIES	\$1,090,230	\$1,099,301
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$588,857	\$588,857
211	Paid in Capital in Excess of Par Value	141,073	141,073
215	Retained Earnings	-626,442	-679,939
218	Proprietary Capital (Sole Props and Partnerships)	N/A	N/A
	TOTAL CAPITAL	\$103,488	\$49,991
	TOTAL LIABILITIES AND CAPITAL	\$1,193,718	\$1,149,292

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$28,618	\$33,210
460	Unmetered Water Revenue	N/A	N/A
474	Other Water Revenues	N/A	N/A
	TOTAL REVENUES	\$28,618	\$33,210
	OPERATING EXPENSES		
601	Salaries and Wages	\$N/A	\$N/A
610	Purchased Water	N/A	N/A
615	Purchased Power	1,313	1,922
618	Chemicals	N/A	N/A
620	Repairs and Maintenance	4,660	9,944
621	Office Supplies and Expense	530	1,174
630	Outside Services	9,158	9,107
635	Water Testing	1,158	961
641	Rents	N/A	N/A
650	Transportation Expenses	N/A	N/A
657	Insurance – General Liability	5,817	9,171
659	Insurance - Health and Life	1,194	1,249
666	Regulatory Commission Expense – Rate Case	45	45
675	Miscellaneous Expense	884	699
403	Depreciation Expense	59,490	59,490
408	Taxes Other Than Income	N/A	N/A
408.11	Property Taxes	4,612	3,275
409	Income Tax	N/A	N/A
	TOTAL OPERATING EXPENSES	\$88,861	\$97,037
	OPERATING INCOME/(LOSS)	\$-60,243	\$-63,827
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$4,365	\$1,553
421	Non-Utility Income	32,079	9,000
426	Miscellaneous Non-Utility Expenses	N/A	N/A
427	Interest Expense	-957	-223
	TOTAL OTHER INCOME/(EXPENSE)	\$35,487	\$10,330
	NET INCOME/(LOSS)	\$-24,756	\$-53,497

COMPANY NAME: RINCON WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	\$N/A	\$N/A	\$N/A	\$N/A
Amount Outstanding	\$N/A	\$N/A	\$N/A	\$N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A%	N/A%	N/A%	N/A%
Current Year Interest	\$N/A	\$N/A	\$N/A	\$N/A
Current Year Principle	\$N/A	\$N/A	\$N/A	\$N/A

Meter Deposit Balance at Test Year End \$N/A

Meter Deposits Refunded During the Test Year \$N/A

See accountants' compilation report.

COMPANY NAME: RINCON WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
607531	15	1550	280	12	4	1982
607532	Capped	N/A	N/A	N/A	N/A	N/A
607533	5	40	101	24	2	1982

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
40	1	20	
30	2		
60	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
186,000	1	5,000	1
20,000	1		
140,000	1		

See accountants' compilation report.

COMPANY NAME: RINCON WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	N/A	N/A
4	PVC	6,100
5	N/A	N/A
6	Transite	40,900
8	N/A	N/A
10	N/A	N/A
12	N/A	N/A
6	PVC	33,033
8	PVC	2,377

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	N/A
3/4	N/A
1	41
1 1/2	N/A
2	N/A
Comp. 3	N/A
Turbo 3	N/A
Comp. 4	N/A
Tubo 4	N/A
Comp. 6	N/A
Tubo 6	N/A

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

Water plant with 2 buildings and a pond all located in a fenced site

OTHER:

N/A

COMPANY NAME: RINCON WATER COMPANY

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	35	309,380	355,000
FEBRUARY	36	261,310	299,000
MARCH	34	249,270	290,000
APRIL	35	343,360	392,000
MAY	37	557,410	627,000
JUNE	37	557,540	648,000
JULY	37	504,220	584,000
AUGUST	38	349,260	406,000
SEPTEMBER	38	418,290	478,000
OCTOBER	38	440,150	508,000
NOVEMBER	39	394,220	454,000
DECEMBER	41	305,760	352,000
TOTAL		4,690,170	5,393,000

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0.0076 mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

See accountants' compilation report.

COMPANY NAME RINCON WATER COMPANY **YEAR ENDING 12/31/2004**

PROPERTY TAXES

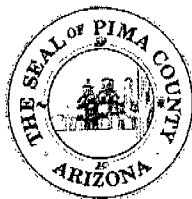
Amount of actual property taxes paid during Calendar Year 2004 was: \$ 3,100

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

See accountants' compilation report.

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
922	32	0000	\$ 2,138.85	10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FIRST HALF	\$1,069.43	\$0.00	\$0.00	\$1,069.43
	TOTAL PAID	\$1,069.43	\$0.00	\$0.00	\$1,069.43

PROPERTY ADDRESS

TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$1,069.42
- NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$1,069.42

ADDITIONAL INFORMATION

FIRST HALF TAXES ARE DUE 10/01/2004 AND DELINQUENT AFTER 11/01/2004. SECOND HALF TAXES ARE DUE 03/01/2005 AND DELINQUENT AFTER 05/02/2005. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2003 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
922	32	0000	\$ 2,298.96	3/1/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
02/18/2004	SECOND HALF	\$1,149.48	\$0.00	\$0.00	\$1,149.48
	TOTAL PAID	\$1,149.48	\$0.00	\$0.00	\$1,149.48

PROPERTY ADDRESS

TAX YEAR 2003 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer
Receipt for Payment of Tax

Print Date: 08/23/2004
Processing Date: 08/23/2004

Receipt #: RD04-0000089264

Payment Date: 08/19/2004

RINCON WATER COMPANY INC
ATTN: KAREN HARTWELL
HC#70 BOX 3601
SAHUARITA AZ 85629

Transaction Detail

Parcel	CertNo	Per & Yr	Tax Due	Interest	Penalty to Assignee	Penalty to County	Fees	Int from Assignment	Redem Fee	LineTotal
205647200		F 2002	8.58	2.52	0.00	\$0.43	0.00	0.00		11.53
205647200		F 2003	8.72	1.16	0.00	\$0.00	0.00	0.00		9.88
Totals:			\$17.30	\$3.68	\$0.00	\$0.43	\$0.00	\$0.00	\$0.00	\$21.41

Payments Detail

Document Date	Payment Type	Document No	Notes	Amount
08/19/2004	CH	1640	SR	21.41
				\$21.41

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2003 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	85	0030	\$ 442.40	3/1/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
02/18/2004	SECOND HALF	\$221.20	\$0.00	\$0.00	\$221.20
	TOTAL PAID	\$221.20	\$0.00	\$0.00	\$221.20

PROPERTY ADDRESS

017950 E CACTUS HILL RD

TAX YEAR 2003 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2003 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	84	0140	\$ 119.98	3/1/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
02/18/2004	SECOND HALF	\$59.99	\$0.00	\$0.00	\$59.99
	TOTAL PAID	\$59.99	\$0.00	\$0.00	\$59.99

PROPERTY ADDRESS

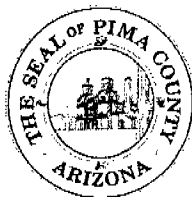
TAX YEAR 2003 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER CO
HC #70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	85	004R	\$ 11.52	10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FULL YEAR	\$11.52	\$0.00	\$0.00	\$11.52
	TOTAL PAID	\$11.52	\$0.00	\$0.00	\$11.52

PROPERTY ADDRESS

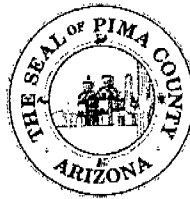
TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER CO
HC #70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	85	004U	\$ 530.98	10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FIRST HALF	\$265.49	\$0.00	\$0.00	\$265.49
	TOTAL PAID	\$265.49	\$0.00	\$0.00	\$265.49

PROPERTY ADDRESS

TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$265.49
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$265.49

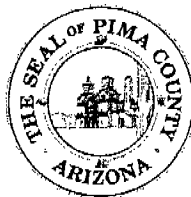
ADDITIONAL INFORMATION

FIRST HALF TAXES ARE DUE 10/01/2004 AND DELINQUENT AFTER 11/01/2004. SECOND HALF TAXES ARE DUE 03/01/2005 AND DELINQUENT AFTER 05/02/2005. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK MAP PARCEL
205 85 009C

TOTAL TAX ASSESSED
\$ 18.02

DATE
10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FULL YEAR	\$18.02	\$0.00	\$0.00	\$18.02
	TOTAL PAID	\$18.02	\$0.00	\$0.00	\$18.02

PROPERTY ADDRESS

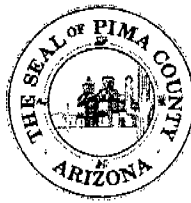
TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK MAP PARCEL
205 85 0030

TOTAL TAX ASSESSED
\$ 432.20

DATE
10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FIRST HALF	\$216.10	\$0.00	\$0.00	\$216.10
	TOTAL PAID	\$216.10	\$0.00	\$0.00	\$216.10

PROPERTY ADDRESS

017950 E CACTUS HILL RD

TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$216.10
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$216.10

ADDITIONAL INFORMATION

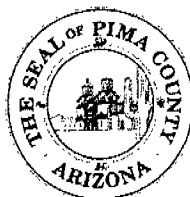
FIRST HALF TAXES ARE DUE 10/01/2004 AND DELINQUENT AFTER 11/01/2004. SECOND HALF TAXES ARE DUE 03/01/2005 AND DELINQUENT AFTER 05/02/2005. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	84	0140	\$ 117.22	10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FIRST HALF	\$58.61	\$0.00	\$0.00	\$58.61
	TOTAL PAID	\$58.61	\$0.00	\$0.00	\$58.61

PROPERTY ADDRESS

TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$58.61
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$58.61

ADDITIONAL INFORMATION

FIRST HALF TAXES ARE DUE 10/01/2004 AND DELINQUENT AFTER 11/01/2004. SECOND HALF TAXES ARE DUE 03/01/2005 AND DELINQUENT AFTER 05/02/2005. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
205	77	006C	\$ 18.02	10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FULL YEAR	\$18.02	\$0.00	\$0.00	\$18.02
	TOTAL PAID	\$18.02	\$0.00	\$0.00	\$18.02

PROPERTY ADDRESS

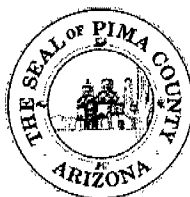
TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RINCON WATER COMPANY INC
ATTN: KAREN HARTWELL
HC#70 BOX 3601
SAHUARITA AZ 85629

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2004 REAL ESTATE TAXES

BOOK MAP PARCEL
205 64 7200

TOTAL TAX ASSESSED
\$ 8.53

DATE
10/8/2004

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/23/2004	FULL YEAR	\$8.53	\$0.00	\$0.00	\$8.53
	TOTAL PAID	\$8.53	\$0.00	\$0.00	\$8.53

PROPERTY ADDRESS

TAX YEAR 2004 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

COMPANY NAME RINCON WATER COMPANY YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Karen Hartwell
SIGNATURE

3-12-05
DATE

Karen Hartwell
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 15 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
PIMA
NAME (OWNER OR OFFICIAL) TITLE
KAREN HARTWELL, PRESIDENT
COMPANY NAME
RINCON WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>35,155</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,945
IN SALES TAXES BILLED, OR COLLECTED)

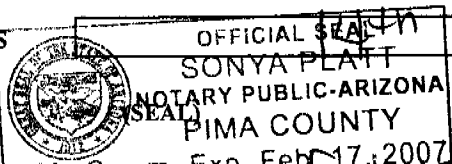
****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(520) 625-1671
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u> <u>2005</u>

MY COMMISSION EXPIRES

Feb 17, 2007


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAR 15 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	PIMA	
NAME (OWNER OR OFFICIAL)	KAREN HARTWELL	AZ Corporation Commission Director Of Utilities TITLE PRESIDENT
COMPANY NAME	RINCON WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 35,155

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 1945

IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Karen Hartwell
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th **DAY OF**

OFFICIAL SEAL
SONYA PLATT
NOTARY PUBLIC-ARIZONA
PIMA COUNTY
MY COMMISSION EXPIRES Feb 17, 2007

NOTARY PUBLIC NAME	Sonya Platt	
COUNTY NAME	Pima	
MONTH	March	2005

MY COMMISSION EXPIRES Feb 17, 2007

Sonya Platt
SIGNATURE OF NOTARY PUBLIC

RECEIVED

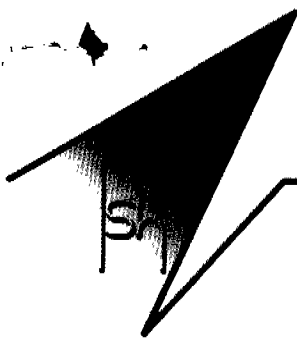
MAR 15 2005

AZ Corporation Commission
Director Of Utilities

RINCON WATER COMPANY

Compiled Financial Statement

For the year ended December 31, 2004



Ludwig, Schacht & Klewer, PLLC

certified public accountants & consultants

Christopher Wm. Ludwig
Wendy G. Schacht
Julie S. Klewer

ACCOUNTANTS' COMPILATION REPORT

Rincon Water Company
Sahuarita, Arizona

We have compiled the annual report to the Arizona Corporation Commission, Utilities Division, for the year ended December 31, 2004 for Rincon Water Company included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission, Utilities Division, information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial and statistical information, including other disclosures, are presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, which differ from generally accepted accounting principles. Accordingly, the financial statements are not designed for those who are not informed about such differences.

Ludwig, Schacht & Klewer, PLLC

February 1, 2005